_____ BILL NO. _____

INTRODUCED BY _____
(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING WITHIN THE BUREAU OF MINES AND GEOLOGY THE GEORGE G. GROESBECK HYDROGEN RESEARCH AND DEVELOPMENT PROGRAM; ESTABLISHING THE PURPOSES OF THE PROGRAM; REQUIRING THE PROGRAM TO REPORT TO THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE; PROVIDING AN APPROPRIATION; AMENDING SECTION 20-25-212, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, the stability of the United States' economy and security is threatened by its dependence on foreign energy imports; and

WHEREAS, technological advances have moved hydrogen energy forward as the best nonpolluting, most plentiful energy carrier available to support all future energy needs; and

WHEREAS, recognizing the future potential of hydrogen fuel, billions of dollars are being spent by business, industry, states, and the federal government to move the nation into a hydrogen economy; and

WHEREAS, the current jobs stimulus package moving through congress has set aside billions of dollars for renewable energy development; and

WHEREAS, Montana is the only state in the nation with all the natural resources needed to make it a leader in the hydrogen energy arena; and

WHEREAS, Montana could use its coal, natural gas, oil, carbon, wind, water, solar, biomass, and platinum resources to produce trillions of cubic feet of pollution-free hydrogen and highly sought-after fuel cells; and

WHEREAS, the late representative George Groesbeck envisioned that hydrogen energy development could be a statewide economic driver that could spur Montana's economy in ways that attract businesses, create quality jobs, fund infrastructure development, preserve its environment, and train the best hydrogen workforce in the world.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. George G. Groesbeck hydrogen energy development program.** (1)

There is established within the Montana bureau of mines and geology the George G. Groesbeck hydrogen energy development program.

(2) The purpose of the program is to:

(a) support the development and use of hydrogen in this state;

(b) foster public and private hydrogen research and development partnerships;

(c) coordinate activities that promote hydrogen research and development among units of the university system;

(d) involve various stakeholders, including local, state, and federal government, utilities, and public and private sector interest groups, in the development of a state hydrogen plan;

(e) evaluate and recommend policy options to the legislature that promote industry investment in hydrogen infrastructure;

(f) initiate pilot projects to install multimegawatt electrolyzers to produce hydrogen from indigenous resources in the state;

(g) conduct engineering assessments of biomass, clean coal, natural gas, oil, solar, or wind pathways for hydrogen;

(h) initiate pilot projects that include distribution of hydrogen produced in the state;

(i) conduct comprehensive market studies for the production of hydrogen; and

(j) conduct assessments of potential cost benefits to consumers and recommend ways to educate consumers about the benefits of hydrogen fuel.

(3) Before July 1 of the year preceding a legislative session, the Montana bureau of mines and geology shall report to the energy and telecommunications interim committee regarding program accomplishments, including expenditures, research projects funded, and external funding received.

Section 2. Section 20-25-212, MCA, is amended to read:

"20-25-212. Bureau of mines and geology -- purpose. The bureau of mines and geology shall:

(1) compile and publish statistics relative to Montana geology, mining, milling, ~~and~~ metallurgy, and hydrogen energy development;

(2) collect:

(a) typical geological and mineral specimens;

(b) samples of products;

(c) photographs, models, and drawings of appliances used in the mines, mills, and smelters of Montana; and

(d) a library and a bibliography of literature relative to the progress of geology, mining, milling, ~~and~~ smelting, and hydrogen energy development in Montana;

(3) study the geological formations of Montana, with special reference to their economic mineral resources and ground water;

(4) examine the topography and physical features of Montana relative to their bearing upon the occupation of the people;

(5) study the mining, milling, and smelting in Montana relative to their improvement;

(6) publish bulletins and reports of a general and detailed description of the natural resources, geology, mines, mills, ~~and~~ reduction plants, and hydrogen energy development of Montana;

(7) make qualitative examinations of rocks and mineral samples;

(8) consider scientific and economic problems that the regents consider valuable to the people of Montana;

(9) communicate special information on Montana geology, mining, ~~and~~ metallurgy, and hydrogen energy development;

(10) cooperate with:

(a) departments of the university system;

(b) the state mine inspector;

(c) departments of the state;

(d) the United States geological survey; and

(e) the United States bureau of mines;

(11) make examinations of state land regarding its geology and mineral value at the request of the department of natural resources and conservation and make investments. These services are limited to the time available for the services after all other duties of the bureau of mines and geology are served. Written reports must be made. Travel expenses incurred by the examiner must be paid, as provided for in 2-18-501 through 2-18-503, by the agency requesting the examination upon the presentation of claims in the ordinary form.

(12) establish the George G. Groesbeck hydrogen energy development program to support and promote hydrogen energy development and the use of hydrogen as provided in [section 1];

~~(12)~~(13) deposit all material collected in the state museums or at Montana tech of the university of

Montana after completed use by the bureau of mines and geology;

~~(13)~~(14) distribute duplicates of representative material to the units of the university system to their best educational advantage; and

~~(14)~~(15) print the regular and special reports with illustrations and maps and distribute them on direction of the board of regents."

NEW SECTION. **Section 3. Appropriation.** There is appropriated $200,000 from the general fund to the bureau of mines and geology for the George G. Groesbeck hydrogen development program for each of the fiscal years 2010 and 2011.

NEW SECTION. **Section 4. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 20, chapter 25, part 2, and the provisions of Title 20, chapter 25, part 2, apply to [section 1].

NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2009.

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